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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

MEI-FANG LISA ZHANG, BAY AREA
AFFORDABLE HOUSING, LLC, XUE-
HUA GAO, YANG-CHUN ZHANG,
CAROL JIAN DENG, and HAO LIANG,

Plaintiffs,

vs.

WEI-MAN RAYMOND TSE, RUN PING
ZHOU a.k.a. FLORA ZHOU, THERESA
WONG, JAMES YU, BILL SHU WAI MA,
MOLLY LAU, VICTOR SO, JIAN XIAO,
CHRIST INVESTMENT SERVICE INC., CIS
SERVICE, INC., PACIFIC BEST GROUP
LTD. a.k.a. PACIFIC BEST COMPANY
LTD., and SOUTH CHINA INVESTMENT
INC.,

Defendants.

Case No.:

**ADMINISTRATIVE MOTION TO
CONSIDER WHETHER CASES
SHOULD BE RELATED**

Pursuant to Local Rule 3-12, Plaintiffs move this Court for an order stating that this case is related to another action before this Court and in support thereof, states as follows:

1. This is an action, both in law and in equity, brought by victims of commodities fraud under the Racketeer Influenced Corrupt Organization Act ("RICO") and the Commodity Exchange Act ("CEA"). In their Complaint, Plaintiffs state that they are individuals who

1 invested large sums of money with Defendants for foreign currency futures trading, but
2 Defendants' businesses were wholly fraudulent, and Defendants stole Plaintiffs' investments.

3 2. On June 28, 2005, the U.S. Commodity Futures Trading Commission and the
4 Commissioner of Corporations for the State of California filed a complaint against many of the
5 Defendants herein seeking injunctive and other equitable relief under the CEA and California
6 Corporations Code Sections 29250 and 29536. The action is styled U.S. Commodity Futures
7 Trading Commission et al. v. National Investment Consultants, Inc., et al., No. 05-cv-02641-
8 JSW (N.D. Cal. S.F. Div.) (the "CFTC Action"). The CFTC Action Complaint alleged that the
9 defendants in that action engaged in commodities fraud, including misrepresentations and sale of
10 illegal off-exchange futures contracts.

11 3. The CFTC and State of California ultimately settled with the defendants therein,
12 and these defendants consented to the entry of a Consent Order of Permanent Injunction and
13 Other Equitable Relief Against Defendants Pacific Best Group Ltd., National Investment
14 Consultants, Inc., Wei Man Tse, Run Ping Zhou, Yi Kerry Xu, and Relief Defendant Theresa
15 Wong ("Consent Order"). The Court entered the Consent Order on September 1, 2006.

16 4. Plaintiffs in this action are victims of the conduct alleged in the CFTC Action.

17 5. Defendants in this action include South China Investment Inc., Pacific Best Group
18 Ltd. (a.k.a. Pacific Best Company Ltd.), Wei-Man Raymond Tse, Run Ping Zhou (a.k.a. Flora
19 Zhou), Theresa Wong, all of whom were also defendants in the CFTC Action.

20 6. Therefore, this action and the CFTC Action concern substantially the same
21 parties.

22 7. The CFTC alleged that since at least March 2004, defendants therein solicited and
23 accepted at least \$182,500 from at least five known retail investors to engage in speculative
24 trading of illegal off-exchange foreign currency futures contracts, and investors lost almost all of
25 their investment. The CFTC said that the defendants therein cheated, defrauded, and deceived
26 customers by misrepresentations and failures to disclose material information in connection with
27 foreign currency futures transactions.
28

1 8. As in the CFTC Action, Plaintiffs in this action contend that the Defendants
2 herein engaged in commodities fraud since at least 2003, including misrepresentations and sale
3 of illegal off-exchange futures contracts. Plaintiffs say that Defendants accepted their money to
4 engage in speculative trading of illegal off-exchange foreign currency futures contracts, and
5 Plaintiffs lost all of their investments. Moreover, Plaintiffs state that Defendants cheated,
6 defrauded, and deceived customers by, among other things, misrepresentations and failures to
7 disclose material information in connection with foreign currency futures transactions.


8 9. Accordingly, this action and the CFTC Action concern substantially the same
9 events.

10 For the foregoing reasons, Plaintiffs respectfully request that the Court determine that this
11 action and the CFTC Action are related cases, pursuant to Local Rule 3-12.

12
13
14 Respectfully Submitted,

15 COOKE, KOBRICK, & WU LLP

16 Dated: September 24, 2007

17 By: 
18 STEPHEN S. WU
19 Attorneys for Plaintiffs